



STATE MINING AND GEOLOGY BOARD

EXECUTIVE OFFICER'S REPORT

For Meeting Date: May 10, 2012

Agenda Item No. 8: Approval of Site Closure for Blue Point Clark Quarry (CA Mine ID #91-58-0015), Blue Point Partners (Operator), Mr. Brian Bisnett (Agent), County of Yuba.

INTRODUCTION: The State Mining and Geology Board (SMGB) serves as the lead agency under SMARA for forty-six (46) individual surface mining operations, including all operations located within Yuba County. On March 8, 2012, the SMGB moved to accept the 2011 SMARA Mine Inspection Report for the subject site, which concluded in part that all disturbed acreage appeared to be satisfactorily reclaimed. Therefore, the SMGB is considering approval of site closure for the Blue Point Clark Quarry. Should the SMGB find that the site has been reclaimed in accordance with its approved reclamation plan, then SMGB staff will commence the process for release of the existing financial assurance per California Code of Regulations (CCR) Section 3805.5.

STATUTORY AND REGULATORY REQUIREMENTS: Article 5 Public Resources Code (PRC) Section 2773.1(c) states:

"Financial assurances shall no longer be required of a surface mining operation, and shall be released, upon written notification by the lead agency, which shall be forwarded to the operator and the director, that reclamation has been completed in accordance with the approved reclamation plan..."

The SMGB's regulations, Article 11 California Code of Regulations (CCR) Section 3805, provide requirements for the modification or release of a financial assurance, and states:

"(a) Prior to the modification of a financial assurance amount, or to the release of the financial assurance instrument to which both the lead agency and the Department of Conservation are co-beneficiaries under Public Resources Code section 2773.1, the lead agency shall provide to the director of the department the following documents at one time:

(1) An inspection report, prepared by a qualified person as provided for in Public Resources Code section 2774, indicating that there are aspects of the surface mining operation that require modification of the existing financial assurance amount, or stating that the mined land has been reclaimed in accordance with the approved reclamation plan, and that there are no aspects of the reclaimed surface mining operation that are inconsistent with the meaning of reclamation as defined in Public Resources Code section 2733, and the Surface Mining and Reclamation Act of 1975, Chapter 9, commencing with section 2710.

(2) A revised financial assurance cost estimate prepared by the operator and accepted by the lead agency, or prepared by the lead agency, in accordance with Public Resources Code section 2773.1, with supporting documentation, indicating the specific cost changes to the existing financial assurance amount,



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or indicating that there are no further outstanding reclamation liabilities to be included in the financial assurance.

(3) A statement by the lead agency, with supporting documentation that may include the most recent inspection report and any geological and engineering reports prepared as part of the inspection report, that the mined land remains subject to a financial assurance as modified, or that the mined land has been reclaimed in accordance with the approved reclamation plan, that there are no outstanding reclamation liabilities, and recommending to the director that the financial assurance be released.

(b) The director shall have 45 days from the date of receipt of the documents to review and comment on them as provided for in Public Resources Code section 2774, and to conduct the director's own inspection of the surface mining operation if the director determines it necessary under Public Resources Code section 2774.1, and do one of the following:

(1) Notify the lead agency of the director's concurrence that the modified financial assurance amount is adequate, or that there are no outstanding reclamation liabilities on the mined land and that the original financial assurance should be released pursuant to Public Resources Code section 2773.1, at which time the financial assurance shall be released; or,

(2) Notify the lead agency that the director has found, based upon an inspection, aspects of the surface mining operation that require additional modifications to the financial assurance amount, or aspects that are not in compliance with the approved reclamation plan and the Surface Mining and Reclamation Act of 1975; or,

(3) Commence the financial assurance forfeiture process under Public Resources Code section 2773.1."

BACKGROUND: The Blue Point Clark Quarry was originally hydraulically mined for placer gold deposits during the 1800s. Since enactment of SMARA in 1976, the site was intermittently utilized as a small aggregate mining operation, which has been reclaimed by the current operator, and has been undergoing post-reclamation monitoring for the past three years.

Former material extraction occurred within a generally east-west oriented man-made depression. Pre-SMARA ditches and cobble tailings piles, some of which were formed during hydraulic placer gold mining operations, are evident in the western portion of the site, and minor pre-SMARA tailings remain south of the quarry area. The site is bordered to the west by the former Timbuctoo Gold Mine property and to the east by the Blue Point Mine. Open land and residential areas border the site to the north and south.

A chronology of pertinent events and actions pertaining to recent activities is as follows:

June 16, 1986

Yuba County authorized operator, Clark Rock, to operate a hard rock mine under Reclamation Plan RP# 86-01 (Resolution No. PC-86-17). No proof of Reclamation Plan approval noted. Reclamation Plan consisted of four pages which included the



	signature page, and four general site layout drawings.
November 18, 1999	Operations conducted under Conditional Use Permit (CUP# 86-08). New application filed by new operator, Mr. Steve Elder, which combined sand and gravel and the rock quarry activities into one operation.
December 1, 1999	DOC correspondence deemed Blue Point hard rock, and sand and gravel sites as two separate operations requiring two site-specific Reclamation Plans.
December 17, 1999	County deemed new application incomplete.
June 20, 2000	DOC deemed the rock quarry operation and sand and gravel operation as separate entities.
November 11, 2000	Site last inspected by Yuba County in 2000 (site was previously inspected in 1992, 1993, 1995 and 1997).
December 2002	Site initially inspected by the SMGB.
February 9, 2006	SMGB approved Closure and Reclamation Plan for Blue Point Clark Quarry (dated July 1, 2005) and associated CEQA documents.
April 10, 2008	SMGB approved adjusted financial assurance cost estimate of \$7,270 reflecting completion of primary reclamation tasks and beginning of post reclamation monitoring period.
July 25, 2011	Operator provides SMGB with letter from Hitchcock Ecological, dated June 4, 2011, concluding that site is successfully reclaimed.

Reclamation objectives for the Blue Point Clark Quarry include conversion of most of the site to historic basalt and cobble formation with a small area developed as a pond and grassland. During 2007 aggregate stockpiles, mining debris, and scrap equipment were removed from the eastern portion of the site, and all remaining post-SMARA areas of disturbance were re-contoured and hydroseeded. In addition, a small detention basin was developed to serve as a seasonal pond, and erosion control measures were installed. Finally, three historic mine drainage tunnel entrances existing on site were barricaded with wire fencing.



2011 SMARA MINE INSPECTION REPORT: No new or outstanding violations or corrective measures were noted during the October 27, 2011 inspection of the Blue Point Clark Quarry surface mining operation. Based on field observations made at time of inspection, SMGB staff considered all areas previously disturbed by post-SMARA surface mining operations at the Blue Point Clark Quarry to be adequately reclaimed in accordance with the approved reclamation plan. The inspector has determined that there are no aspects of the reclaimed surface mining operation that are inconsistent with the meaning of reclamation as defined in PRC Section 2733, and the Surface Mining and Reclamation Act of 1975, Chapter 9, commencing with Section 2710. Finally, the SMGB's inspector has determined that no further outstanding reclamation liabilities are required to be included in the financial assurance for the Blue Point Clark Quarry.

EXECUTIVE OFFICER'S RECOMMENDATION: The Executive Officer recommends that the SMGB find that the Blue Point Clark Quarry surface mining operation has been reclaimed and developed for alternate end uses in accordance with the approved reclamation plan, and, pending concurrence by the Department of Conservation, find that it is no longer subject to the requirements of SMARA.

SUGGESTED MOTION LANGUAGE:

Motion No. 1 - To approve site closure:

Mr. Chairman, in light of the information before the State Mining and Geology Board today, I move that the SMGB determine that the Blue Point Clark Quarry surface mining operation has been reclaimed and developed for alternate uses in accordance with the approved reclamation plan, and, pending concurrence by the Department of Conservation, find that it is no longer subject to the requirements of SMARA.

Respectfully submitted:



Stephen M. Testa
Executive Officer